

## Historic, archived document

Do not assume content reflects current scientific knowledge, policies, or practices.



Reexme  
A280.29  
F22I

# HELP for RURAL COOPERATIVES

U.S. DEPARTMENT OF AGRICULTURE  
NATIONAL ARCHIVES

MAR 14 1967

CURRENT SERIAL RECORDS

INFORMATION 55  
FARMER COOPERATIVE SERVICE,  
U.S. DEPARTMENT OF AGRICULTURE.



**FARMER COOPERATIVE SERVICE IS THE U.S. DEPARTMENT OF AGRICULTURE'S SPECIALIZED AGENCY IN COOPERATIVE ORGANIZATION, OPERATION, AND DEVELOPMENT. ITS JOB IS TO HELP FARMERS AND OTHER RURAL AMERICANS LIVE BETTER BY USING COOPERATIVES AND BY USING THEM MOST EFFECTIVELY.**

**LONG-ESTABLISHED POLICIES OF THE PRESIDENT AND CONGRESS SUPPORT RURAL COOPERATIVES. THE DEPARTMENT OF AGRICULTURE DIRECTS THE STAFFS OF ITS AGENCIES TO WORK WITH RURAL PEOPLE IN ORGANIZING AND OPERATING EFFECTIVE COOPERATIVES.**

## WHAT IS A COOPERATIVE?

A co-op is a business that's owned and controlled by the persons who use it. They've organized it to market their farm products or to get certain goods or services at cost. They invest the necessary risk capital, establish the co-op's legal framework, and elect its directors.

Directors set operating policies, hire the co-op's chief executive, and hold him accountable for the co-op's operations.

There are many kinds of cooperatives:

- ones that farmers own to market their crops and livestock products
- ones that farmers own to get credit, supplies, or services
- ones that consumers own to get housing, credit, health services, food, electricity, telephone service, dignified burial, or insurance
- ones that businessmen own, such as the publishers' news-gathering co-op, Associated Press, bankers' clearing houses, and central food and hardware buying organizations.

Most co-ops are incorporated. Others may be less formal -- the parent-owned nursery school,

the neighborhood-owned swimming pool, the car pool, jointly-owned farm machinery or lawn equipment.

Cooperatives may be large -- with thousands of members -- or small -- with only a half dozen.

A co-op may have only one function, such as trucking vegetables from members' farms to market. Or it may have many functions, such as manufacturing and distributing feed, fertilizer, gasoline, lube oil, paint, hardware, batteries, tires, steel fencing, pre-fab buildings.

A co-op may serve a small community, such as a town or a county. Or it may serve people in several states. It may even operate with nationwide membership.

Co-ops often own other co-ops. A co-op that serves rural residents with electricity, for example, may join with other similar co-ops to organize a co-op that generates power. A co-op that markets grain for its members may join with other grain co-ops to operate terminal and port elevators.

Federal and State laws may limit co-op operations. These laws vary in detail from State to State.

# WHAT FARMER COOPERATIVE SERVICE DOES

Farmer Cooperative Service aims --

- to help farmers get better prices for their products through co-ops

- to help farmers reduce their operating expenses through co-ops

- to help farmers gain enough economic power so they can influence the integration of agriculture through cooperatives and thus bargain more effectively

- to help rural and small-town residents use cooperatives to develop the resources of rural areas and to live better

- to help low-income farmers use cooperatives either to join the ranks of commercial producers of food and fiber or to move into other productive, satisfying, rural work

- to enable those who use a co-op's services to maintain effective, democratic control over its policies and operations

- to help cooperatives owned largely by farmers and rural residents to expand their services to members and increase their operating efficiency

- to help all Americans appreciate the aims and accomplishments of rural cooperatives

- to help people of the developing nations organize and operate cooperatives to raise their living standards and to assume democratic control over their nation's economic affairs.

To do these things, FCS helps rural people take the necessary steps to organize cooperatives, usually with and through other Federal and State agencies.



It also helps existing cooperatives in their operations. For example, FCS may explain how to manage more effectively, keep members informed, or handle finances.

Its staff advises directly with co-op leaders, Government officials, agricultural spokesmen, educators, and others.

FCS also conducts research on urgent matters facing members and their cooperatives. It may promote -- and occasionally support financially -- research by Federal and State agencies. These matters may range from conforming to basic cooperative principles to improving processing or distribution of a farm product.

FCS publishes the results of its research.



# TO LEARN MORE ABOUT COOPERATIVES



These publications cover almost every kind of cooperative and all aspects of their operations. They include a yearly statistical report of co-op membership and business.

FCS issues *News for Farmer Cooperatives*, a monthly magazine for co-op leaders and officials. It also does other informational and educational work, such as producing movies and preparing exhibits.

FCS offices are in Washington, D.C. It has no field offices. Its staff members travel widely to get the facts, study co-op operations, and help train co-op directors, managers, and employees. It helps sponsor conferences and its staff participate as speakers in many meetings.

For information on farmers' *marketing, purchasing, and related service* cooperatives, write Farmer Cooperative Service, U.S. Department of Agriculture, Washington, D.C. 20250. You may want these FCS publications

Basic Cooperative Features -- Bulletin Reprint 3

Agricultural Cooperation, Pioneer to Modern -- Bulletin Reprint 4

How to Start a Cooperative -- Educational Circular 18

Sample Legal Documents for New Cooperatives -- Educational Circular 19

Financing Farmer Cooperatives -- Educational Circular 5

Managing Farmer Cooperatives -- Educational Circular 17

What Cooperative Members Should Know -- Educational Circular 24

Cooperatives, Partners in American Life (assistance available to cooperatives through 16 USDA agencies) -- Information 48

FCS has many other publications dealing more specifically with various types of co-ops and their operations. Its List of Publications -- Information 4 -- shows these.

Your county agricultural extension agent has information on rural cooperatives or can refer you to co-op specialists at the land-grant university in your State.

County and State offices of Farmers Home Administration, U.S. Department of Agriculture, and


regional offices of the Office of Economic Opportunity may also have information on cooperatives.

The 12 district Banks for Cooperatives also have information on financing farmer cooperatives. Write Cooperative Bank Service, Farm Credit Administration, Washington, D.C. 20250.

### For information on


#### RURAL ELECTRIC OR TELEPHONE COOPERATIVES, WRITE --

Rural Electrification Administration  
U.S. Department of Agriculture  
Washington, D.C. 20250




#### ON CREDIT UNIONS, WRITE --

Bureau of Federal Credit Unions  
Social Security Administration  
U.S. Department of Health, Education, and  
Welfare  
Washington, D.C. 20201



#### ON HOUSING CO-OPS, WRITE --

Cooperative Housing Division  
Office of the Assistant Commissioner  
for Multi-Family Housing  
Federal Housing Administration  
U.S. Department of Housing and Urban  
Development  
Washington, D.C. 20410



#### ON FISHERMEN'S CO-OPS, WRITE --

Fish and Wildlife Service  
Bureau of Commercial Fisheries  
U.S. Department of Interior  
Washington, D.C. 20240